



P.O. Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

**Item No. 15.4.1**  
**Halifax Regional Council**  
**November 26, 2019**

**TO:** Mayor Savage and Members of Halifax Regional Council

Original Signed

**SUBMITTED BY:**

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Councillor Russell Walker, Chair, Grants Committee

**DATE:** November 20, 2019

**SUBJECT:** Graves Oakley Park - Change Room/Washroom Facility Dartmouth

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**ORIGIN**

November 18, 2019 meeting of the Grants Committee, Item No. 9.1.11.

**LEGISLATIVE AUTHORITY**

Grants Committee Term of Reference which states: "The HRM Grants Committee shall review, evaluate and make recommendations to Regional Council regarding annual cash grants, rent subsidies, property tax exemptions, less than market value property sales and leases to registered non-profit organizations and charities managed by a duly appointed Grants Committee."

**RECOMMENDATION**

The Grants Committee recommends that Regional Council:

1. Authorize the Mayor and Municipal Clerk to enter into a less than market value land lease agreement with the Halifax Tars Rugby Club as per the terms and conditions set out in Table 1 of the staff report dated November 12, 2019 respecting the construction and operation of a fieldhouse at Graves Oakley Park; and
2. Pending confirmation of Provincial cost sharing approve the provision of a one-time contribution to the Halifax Tars Rugby Club for one-third funding towards the development of a fieldhouse in the amount of \$315,000 on the same terms and conditions as the Province of Nova Scotia (Communities Culture and Heritage). And if approved direct the CAO include the project for consideration as part of the 2020/21 operating budget deliberations.

**BACKGROUND**

A staff report dated November 12, 2019 pertaining a less than market value land lease agreement with the Halifax Tars Rugby Club respecting the construction and operation of a fieldhouse at Graves Oakley Park and proposed provision of a one-time contribution to the Halifax Tars Rugby Club for one-third funding towards the development of a fieldhouse in the amount of \$315,000, was before the Grants Committee for consideration at its meeting held on November 18, 2019.

For further information, please refer to the attached staff report dated November 12, 2019.

**DISCUSSION**

The Grants Committee reviewed the November 12, 2019 staff report at its meeting held on November 18, 2019 and forwarded the recommendation to Halifax Regional Council as outlined in this report.

**FINANCIAL IMPLICATIONS**

As outlined in the attached staff report dated November 12, 2019.

**RISK CONSIDERATION**

As outlined in the attached staff report dated November 12, 2019

**COMMUNITY ENGAGEMENT**

Grants Committee meetings are open to public attendance. The Grants Committee is comprised of one elected member from each Community Council, a Chair appointed from the membership of the Audit and Finance Standing Committee and six (6) members of the public. The agenda, minutes, and reports for the Grants Committee are posted on the HRM website.

**ENVIRONMENTAL IMPLICATIONS**

Not applicable.

**ALTERNATIVES**

The Grants Committee did not discuss alternative recommendations.

**ATTACHMENTS**

1. Staff report dated November 12, 2019.

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A copy of this report can be obtained online at [halifax.ca](http://halifax.ca) or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Judith Ng'ethe, Legislative Assistant, 902.490.6517

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P.O. Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

**Item No. 9.1.11**  
**Grants Committee**  
**November 18, 2019**

**TO:** Chair and Members of the Grants Committee

**SUBMITTED BY:** -Original Signed-  
Denise Schofield, Director, Parks & Recreation

-Original Signed-  
Jacques Dubé, Chief Administrative Officer

**DATE:** November 12, 2019

**SUBJECT:** Graves Oakley Park - Change Room/Washroom Facility

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**ORIGIN**

- April 16, 2019 Regional Council motion:

Moved by Councillor Adams, seconded by Councillor Walker that Halifax Regional Council request a staff report to consider the feasibility and options for allocating funding towards a change room/washroom facility to support activities at the Graves Oakley Park. MOTION PUT AND PASSED.

- Letter from Halifax Tars Rugby Club dated August 15, 2019.

**LEGISLATIVE AUTHORITY**

*Halifax Regional Municipality Charter S.N.S. 2008, c.39. Section 61(3): "The property vested in the Municipality, absolutely or in trust, is under the exclusive management and control of the Council, unless an Act of the Legislature provides otherwise."*

*Halifax Regional Municipality Charter S.N.S. 2008, c.39. Section 63(1): "The Municipality may sell or lease property at a price less than market value to a non-profit organization that the Council considers to be carrying on an activity that is beneficial to the Municipality."*

*Halifax Regional Municipality Charter S.N.S. 2008, c.39. Section 63(2): "A resolution to sell or lease property referred to in subsection (1) at less than market value shall be passed by at least a two thirds majority of the Council present and voting."*

*Halifax Regional Municipality Charter S.N.S. 2008, c.39. Section 75(1): "The Municipality may agree with any person for the provision of a service or a capital facility that the Municipality is authorized to provide."*

*Halifax Regional Municipality Charter S.N.S. 2008, c.39. Section 75(2): "An agreement made pursuant to subsection (1) may allow for the lease, operation or maintenance of the facility or provision of the service by a person, including the sale or disposition to that person of property of the Municipality that continues to be required for the purposes of the Municipality."*

**.... RECOMMENDATION ON PAGE 2**

*Halifax Regional Municipality Charter S.N.S. 2008, c.39. Section 79 (1) The Council may expend money required by the Municipality for (x) lands and buildings required for municipal purpose and (ai) public grounds, squares, halls, museums, parks, tourist information centres and community centres.*

## **RECOMMENDATIONS**

It is recommended that Grants Committee recommend that Halifax Regional Council:

1. Authorize the Mayor and Municipal Clerk to enter into a less than market value land lease agreement with the Halifax Tars Rugby Club as per the terms and conditions set out in Table 1 respecting the construction and operation of a fieldhouse at Graves Oakley Park; and
2. Pending confirmation of Provincial cost sharing approve the provision of a one-time contribution to the Halifax Tars Rugby Club for one-third funding towards the development of a fieldhouse in the amount of \$315,000 on the same terms and conditions as the Province of Nova Scotia (Communities Culture and Heritage). And if approved direct the CAO include the project for consideration as part of the 2020/21 operating budget deliberations

## **BACKGROUND**

Graves Oakley Memorial Park is located on Leiblin Drive, Halifax. The park has five sport fields (two baseball diamonds and three rugby fields), horseshoe pits, tennis court, pickleball court, basketball court and playground (Attachment 1).

On August 2, 2016 Regional Council approved a recommendation to develop a multi-year capital plan for Graves Oakley that increases one sport field to regulation size rugby and adds amenities for all sport uses. Recent improvements to Graves Oakley Memorial Park include the following:

- The Approved 2017/18 Capital Budget included funds for the reconstruction of the sport courts. A tender was issued/awarded, and the work was completed in 2017. The scope of work consisted of reconstructing the tennis courts with one new tennis court, one new pickleball court and one new basketball court.
- The Approved 2018/19 Capital Budget included funds for the expansion of one soccer field to regulation rugby size. A tender was issued/awarded, and the work completed in the Summer of 2019.

Through the tender process, the cost for the field expansion was less than the estimated amount allocated in the capital budget. Based on questions regarding the ability to reallocate that funding to a new project, Regional Council requested a staff report on options for allocating funding to a washroom/change room project at Graves Oakley Memorial Park.

While work on that report was underway, on August 15, 2019, staff received a proposal from the Halifax Tars Rugby Club (a registered not for profit organization) for a request to enter into a long-term lease agreement with the Halifax Regional Municipality to construct a fieldhouse at Graves Oakley Park with funding being requested from HRM, Provincial, Federal and privately raised sources (Attachment 2). The fieldhouse is intended to be located to serve the sport fields and provide accessible public washrooms.

The proposed fieldhouse would be a two story wood framed building constructed on a concrete slab (approximately 2,600 sq.ft. on 2 storeys for a total of 5,200 sq.ft, subject to final measurement). The fieldhouse is expected to be connected to the municipal water and wastewater systems and include washrooms which will be accessible and open to the public, subject to time restrictions and access constraints related to safety and security concerns.

**DISCUSSION**

There are twenty-six functional washrooms in HRM parks which consist of six in community parks, nine in district parks and eleven in regional parks. Graves Oakley Memorial Park had a washroom building located near the playground and courts, however, as of twelve years ago the washroom was no longer functional and requires a complete overhaul. A portion of the washroom building is used as an electrical room for the horseshoe pits and sport field lights.

A Parks & Recreation Washroom and Drinking Fountain Strategy is now completed and will be presented to Regional Council in the coming weeks. The Strategy identifies criteria for evaluating existing and new facilities and how to prioritize based on, visit duration potential, dwell time, surrounding population, as well as provide design guidelines. Staff will use the Strategy to first determine which parks demonstrate the greatest need for renewal of existing washrooms facilities and, secondly, to determine which parks warrant new facilities.

Park washrooms are funded from project account CB000010 Regional Park Washrooms. The Approved 2019/20 Capital Budget included \$400,000 in Project Account No. CB000010 for the replacement of the Penhorn Beach Washroom. The approved 2019/20 Capital Budget for CB000010 currently does not have funding allocated for 2020/21 and 2021/22. Review of the Graves Oakley Memorial Park under the criteria in the Washroom and Drinking Fountain Strategy would result in a determination of a future facility that would need to be prioritized with other sites for inclusion in the capital budget for construction by HRM. The facility proposed by Tars could enable construction of a building sooner than could be considered through the capital budget.

**Lease Agreement**

HRM has entered into lease agreements with other sport team and not for profit organizations to place facilities on parkland, typically close to sport fields or other amenities. Under the Administrative Order 2018-004-ADM Respecting Real Property Transactions, Regional Council has delegated authority for the CAO to enter into market leases for the use of municipal land. Under the *HRM Charter*, Regional Council must approve any below market leases.

The proposal by Halifax Tars Rugby Club would enable the installation of washrooms at the site with additional financial support, rather than only through the HRM capital budget. The project can be considered to providing a municipal benefit which would permit Regional Council to consider a below market lease for the placement of a facility at the site. Therefore, it is recommended that Regional Council authorize the Mayor and Municipal Clerk to enter into a below market lease. The following table outlines the conditions which must be met in the land lease with the Halifax Tars Rugby Club.

Table 1 RECOMMENDED KEY TERMS AND CONDITIONS

Property Address/PID	104 Leiblin Drive, Halifax / 40475154
Owner	Halifax Regional Municipality
Tenant	Halifax Tars Rugby Club
Building Area	Approximately 2,600 sq.ft. on 2 stories for a total of 5,200 sq.ft, subject to final measurement
Type of Agreement	Land Lease
Term	Twenty (20) years
Renewal Term	One renewal of up to 5 years
Rent	\$1.00 plus HST per annum plus additional charges as applicable
Permitted Use	Halifax Tars Rugby Club activities, facility rentals, community events and other related activities
Management Fee	N/A
Key Terms	Halifax Tars Rugby Club will be required to:

	<ul style="list-style-type: none"> <li>a) operate the fieldhouse in a manner that complies with all applicable laws, regulations and municipal policies;</li> <li>b) demonstrate continuing efforts to consult with the community;</li> <li>c) make the washrooms accessible and open to the public from mid-May to the end of October (8am to 11pm), subject to field bookings and constraints related to safety and security concerns;</li> <li>d) HRM approval is required for sublets to non-profits outside the approved permitted uses;</li> <li>e) obtain the necessary permits to authorize construction from HRM before undertaking any construction on the fieldhouse;</li> <li>f) maintain and repair the fieldhouse (including the washrooms) as instructed by HRM;</li> <li>g) open and close the public washrooms and provide daily cleaning and washroom supplies;</li> <li>h) be responsible for all utilities including, but not limited to, sewer, water, electrical, heating and cooling attributed to the construction and operation of the fieldhouse;</li> <li>i) be responsible for regular garbage, recycling, compost, etc. removal from the site;</li> <li>j) pay for all required driveways attributed to the construction of the fieldhouse and ongoing maintenance;</li> <li>k) be responsible for snow clearing &amp; ice control for the driveway, walkways, entrances, stairs and emergency exits;</li> <li>l) pay for all indoor fieldhouse operating costs;</li> <li>m) be responsible for alarm system related costs including monitoring and all false alarm charges;</li> <li>n) be responsible for all maintenance costs and repairs associated with the fieldhouse;</li> <li>o) comply with all applicable policies of HRM;</li> <li>p) maintain its status as a not for profit society or charitable entity not engaged in business;</li> <li>q) participate in any social or financial audits (and other reporting features) of the management of the facility; and</li> <li>r) obtain HRM's consent for any proposed change of use.</li> </ul> <p>The agreement will have HRM's standard terms regarding:</p> <ul style="list-style-type: none"> <li>s) corporate status;</li> <li>t) appropriate indemnities to be provided by the Halifax Tars Rugby Club;</li> <li>u) insurance coverage to be provided by the Halifax Tars Rugby Club; and</li> <li>v) termination of agreement; Halifax Tars Rugby Club vacating the premises and removing equipment at the end of the term or any renewal thereof.</li> </ul>
Property Taxes	Halifax Tars Rugby Club will be responsible for any applicable property taxes levied upon the property as a result of this lease agreement.
Insurance	Commercial General Liability in the amount no less than \$5,000,000 and any other insurance required by HRM as set forth in the agreement. If alcohol is served, stored or consumed on site then liquor liability must be included in the insurance which coverage must be satisfactory to HRM. HRM is to be on the policies as additional named insured.
Signage	Halifax Tars Rugby Club shall not erect, paint, display, place, affix or maintain or permit any signage or advertising on the exterior of the building, land or Premises, including windows or anywhere visible from outside the Leased Premises without prior written permission.

## **Funding Request**

In addition to the request for a below market lease, the proposal from Halifax Tars Rugby Club includes a request for funding from HRM, in exchange for public use of the washrooms in the building. As outlined in the letter, the group is expecting to obtain funding from all orders of government and private sources for the construction of the proposed building.

### Community Grant Program

Currently, HRM does not have a funding program which could accommodate the level and type of funding requested by the Halifax Tars Rugby Club. HRM's current Community Grants Program only provides for program grants in the amount of \$5,000 and capital grants up to a maximum of \$25,000. The Halifax Tars Rugby Club request could be considered under the current guideline, but would only provide minimal funds.

Regional Council has received requests for funding amounts that exceed or fall outside the current Community Grants and other program guidelines. As with those requests, Regional Council may provide funding it feels appropriate and supports a benefit to the municipality, provided it is permitted by the *HRM Charter*. Regional Council may consider requests on a case by case basis as the *HRM Charter* permits Regional Council to provide a grant or contribution to a variety of charitable organizations including community and recreational organizations. Therefore, Regional Council could consider provision of a separate grant to the Halifax Tars Rugby Club. The process for any grant consideration should be the same as undertaken for other similar type of grant requests to ensure consistency.

### HRM Capital Budget

The Halifax Tars Rugby Club request was to receive funding for capital construction. As the facility will be owned by a not-for profit entity, HRM cannot allocate capital funding to non-owned assets as it is not permitted under the *HRM Charter*.

## **Next Steps**

If Regional Council approves entering into a below market lease with Halifax Tars Rugby Club, staff would negotiate an agreement with the club based on the terms outlined in Table 1 noted above. As noted in the proposal, that lease agreement is a condition required for the consideration of the proposal by the Province of Nova Scotia for the requested provincial funding.

The request for funding from HRM would need to be considered as a potential additional request in Council's 2020-21 operating budget deliberation. If Regional Council was to approve funding for the request in the operating budget, staff would then return to Council with terms and conditions for a contribution agreement, consistent with previous large grant funding requests.

## **FINANCIAL IMPLICATIONS**

The market value of the leased land is estimated between \$2.00 - \$4.00 per square foot. This rate was determined using a comparable market analysis of the area, for similarly zoned lands. The potential market value rent for the land represents an opportunity cost to the Municipality of between \$312.00 to \$624.00,<sup>1</sup> plus HST per annum, therefore the proposed nominal rent amount of \$1.00 plus HST per annum is considered less than market value.

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<sup>1</sup> Land Value of \$2.00 - \$4.00 per square foot, for a lease area of 2,600 square feet, at a 6% capitalization rate.

Under a contribution agreement for provision of a grant towards the construction of the facility, HRM would require public access to the washrooms which would result in minor reduction to existing operating costs as temporary washrooms (porta-potties) would no longer be required. Details on those cost savings would be outlined in a future report related to a contribution agreement, should Council choose to consider provision of the requested grant.

### **RISK CONSIDERATION**

There are no significant risks associated with the recommendation of this report. The terms of the lease for the location of a building on the site would mitigate any risks to HRM. Consideration of possible future grant funding would be determined through the operating budget process and if approved, staff would return to council with a contribution agreement that would outline terms of the use of the grant funding.

### **COMMUNITY ENGAGEMENT**

Community engagement was not undertaken at this time.

### **ENVIRONMENTAL IMPLICATIONS**

There are no environmental implications identified.

### **ALTERNATIVES**

Alternative 1: Grants Committee could recommend that Halifax Regional Council alter the terms of the proposed new Land Lease. Depending on the changes, this could require additional negotiation with the Halifax Tars Rugby Club and a supplementary report.

Alternative 2: Grants Committee could recommend that Halifax Regional Council choose to direct staff to not enter a Land Lease with the Halifax Tars Rugby Club and retain temporary washrooms (porta-potties) on site.

Alternative 3: Grants Committee could recommend that Regional Council choose to direct staff to include funding for a stand-alone washroom facility at Graves Oakley Memorial Park in the capital budget process for construction in a future year.

Alternative 4: Grants Committee could recommend that Regional Council choose to direct staff to determine a funding source for the requested grant in the 2019/20 fiscal year. This would require a report to Audit & Finance Standing Committee.

### **ATTACHMENTS**

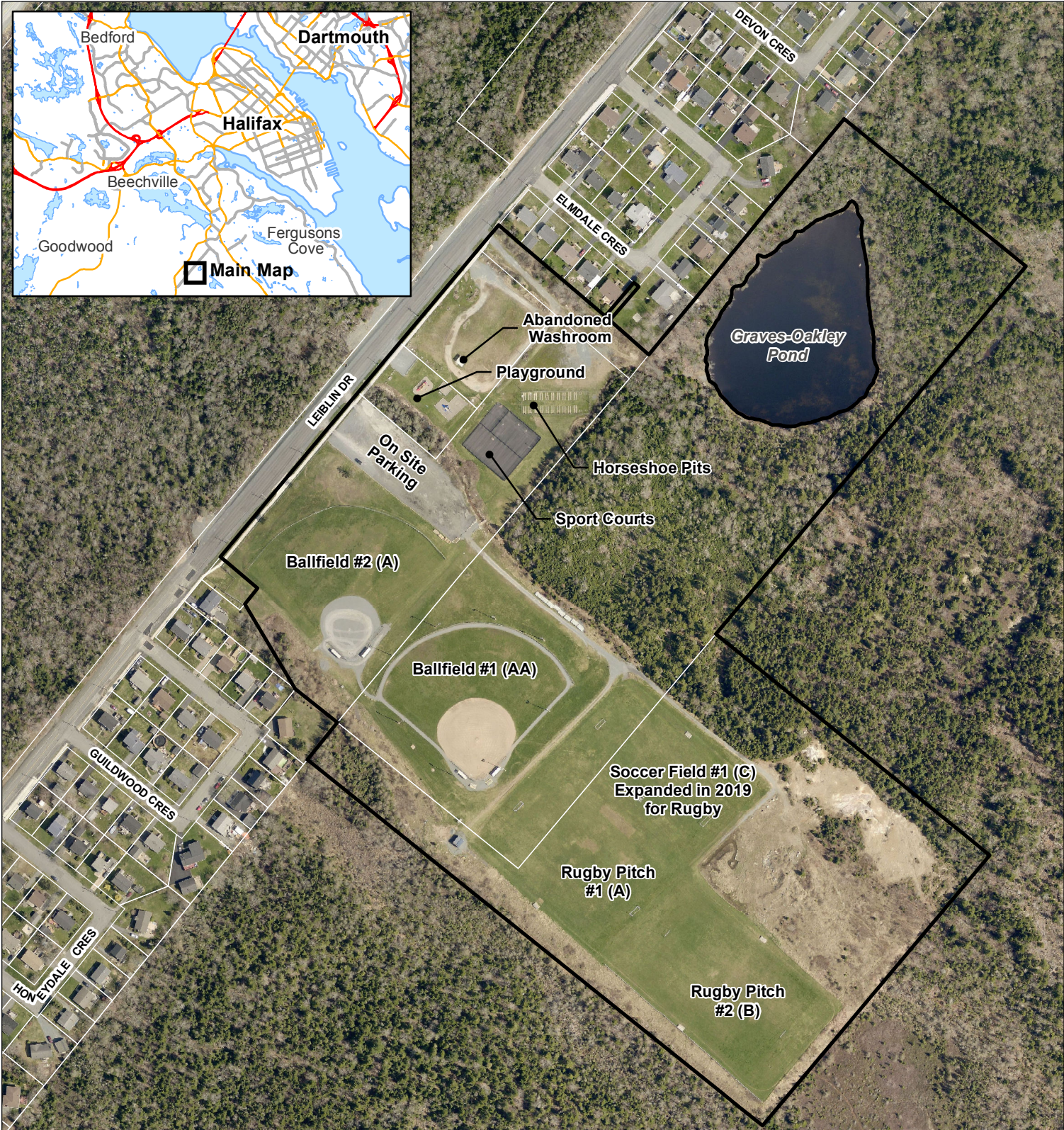
Attachment 1 – Site Plan – Graves Oakley Memorial Park  
Attachment 2 – Request from Halifax Tars Rugby Club



A copy of this report can be obtained online at [halifax.ca](http://halifax.ca) or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Jeff Spares, P.Eng., Manager, Parks Capital Projects, 902.490.6820

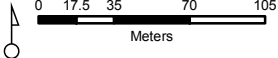
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### Graves-Oakley Park - Site Plan

▭ Graves-Oakley Memorial Park Boundary

**HALIFAX**  
Parks & Recreation  
Policy & Planning





Dr. John Gillis

August 15, 2019



Ms. D. Schofield, Mr. R. Walsh, Mr. J. Spares  
Dept. Of Parks and Recreation  
City of Halifax

Dear Ms. Schofield, Mr. Walsh, and Mr. Spares,

As per our conversation today, I am writing to provide an update and a formal request as part of our efforts to build a community focused sports and recreation facility at Graves Oakley field in Halifax.

Specifically, at this time we are requesting/ committing to provide:

- 1) Request: A long term lease from the City so that we may build the facility on City land, with funding from City, Provincial, Federal, and privately raised sources.
- 2) Request: A grant in the amount of \$315,000 matching that tentatively approved (tentative based on requiring the approval of the City of the lease and matching funds) by the Province via Communities Culture and Heritage.
- 3) Committed to Provide: Completing funding requirements (only minor details remain) with Communities Culture and Heritage, and when appropriate (ideally with City and Provincial approval, lease, and funds committed), apply for matching Federal funding. We will also continue to raise money privately. The latter is mainly designed for the furnishing and aesthetics of the facility, but will be expanded should a funding source fall through or be sub-optimal.
- 4) Committed to Provide: The best location for the facility, to service the current rugby/soccer and softball fields and to provide flexibility for other/future events. The most recent plan has the facility set in the corner of two rugby fields on the first base line of the

softball fields, providing maximum visibility and utility for viewing and usage for all three. We remain open to a discussion on the best site for all stakeholders.

5) Committed to Provide: Accessible public washroom facilities open regular hours for all patrons to use, attached to the facility but separate from it to allow frequent access without affecting the security of the facility.


6) Committed to Provide: A home for broad community engagement, as we continue to build support and partnerships for the project, ensuring the best use of donated funds and optimal access for the broader community.

7) Committed to Provide: Key gender balance. Secure and appropriate facilities are particularly lacking for girls and women in sport, and we are committed to providing these facilities, and involving girls and women in the planning, operation, and governance of the facility.

I believe our previous correspondence has outlined in greater detail why the project is important, needed, viable, sustainable, and broadly supported. We look forward to moving forward as soon as possible and are happy to answer any other questions or concerns.

Best Regards,

  
Dr. John Gillis, Chairman, Halifax TARS RFC

  
Elliott Kayser, President, Halifax TARS RFC